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Securities and Exchange Commission,
Washington, D. C.

Subject: Solicitation of Proxies
by Corporation Management.

Gentlement:

It seems to me that there is very definite need for regulation of the above subject.

Of late I have noticed that more and more of the corporations (their "management") are not merely using the stockholders' money to solicit proxies by mail, but are paying out thousands of dollars to expert solicitors to "dun" stockholders by telephone where stockholders have either deliberately or through over-sight failed to send the requested proxies.

Invariably the virtual demand for a proxy to the management is based upon the necessity of having a quorum to insure the stockholders' meeting being held at all. And almost invariably (of late) the seemingly-important business to come before the meeting is some bigger-and-better scheme whereby the management loots the company by means of bonus-payments, stock-options, "incentive-pay," retirement-benefits for officers already very wealthy, etc. etc., ad nauseum

SUGGESTION: Instead of, in effect, giving the absentee stockholder only the option of either (1) a proxy to the self-seeking management, or (2) no proxy whatever, the proxy-form should nominate an alternative representative or representatives not connected with the management – not interested in this nest-feathering that has afflicted most of our successful companies – and truly representing the interests of stockholders wherever they conflict with those of management.

One main purpose of your body is to protect the lambs from being shorn – and this proxy-racket is a case of ignorant "suckers" being taken for a "ride" by very skillful experts. I honestly believe that most stockholders think that giving a proxy to the management is obligatory. Many others send them along, as requested, for fear that withholding them might void the proposed meeting.

Give stockholders the right to give proxies to representatives with stockholders' interest at heart, and the expensive dunning by the management won't be necessary. The proxies will be mailed promptly – only not to "management!"

Yours truly,
Lewis L. Baxter